

OF THE FLATHEAD NATION P.O. BOX 278 Pablo, Montana 59855

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A Confederation of the Salish, Pend d' Oreilles and Kootenai Tribes

February 8, 2011

TRIBAL COUNCIL MEMBERS: E.T. "Bud" Moran - Chairman Joe Durglo - Vice Chair Steve Lozar - Secretary Jim Malatare - Treasurer Michel Kenmille Carole Lankford Reuben A. Mathias Charles L. Morigeau Terry L. Pitts

Joint Appropriations Subcommittee on General Government

Dear Honorable Chairman Beck and honorable members of the subcommittee Jr. on General Government:

The Confederated Salish and Kootenai Tribes are very concerned over the recent efforts to reduce Department of Commerce funds for Tribal governments commonly referred to as Montana "ICED" funds.

Over the past several years the CSKT Tribes have benefited greatly from these funds as represented below. The uniqueness of the ICED funds to Indian Country is that each Tribe has been able to dedicate the funds (with proper match) to a unique need on each reservation. This has been the most direct benefit received from the Montana legislature.

ICED Program Overview:

Indian Country Economic Development (ICED) funds from the Montana Department of Commerce were made available to tribal governments beginning October 1, 2005.

CONFEDERATED SALISH & KOOTENAI TRIBES GOVERNMENT FUNDING BY YEAR (2006 -2010)

Fiscal Year	Number Jobs Created/Retained	Number of Jobs Trained	ICED Funding	Tribal Match	Match Ratio
FY2006	3 created	23	\$55,000	\$70,777	1.3 to 1
FY2007	2 retained		50,000	2,042,957	40.9 to 1
FY2008	2 retained		78,000	300,000	3.9 to 1
FY2009	3 FTE, 6 PT, + more created & retained		70,000	85,500	1.2 to 1
FY2010	1 retained	i	70,000	70,000	1 to 1
TOTAL		24	\$323,000	\$2,569,234	7.9 to 1

A general summary of our accomplishments each year follows.

(2010) CONFEDERATED SALISH & KOOTENAI TRIBES WOOD PRODUCTS MARKET ANALYSIS AND TRIBAL LAND REVENUE- \$70,000 awarded

One project will utilize \$40,000 in funds for a business lease trainee who will work on Tribal business leases and fee to trust property transfers. This trainee will 1) review and update all off the Tribes' business leases which are a source of tribal revenue; 2) compile the data concerning business leases so the tribal government can make informed decisions about dedicated business lease acres and rate of return; and 3) transfer purchased lands from fee to trust and identify commercial trust property. Additionally, the Tribes will use \$30,000 in funds for the procurement of a business plan/ market assessment of a small forest products manufacturing facility. The Confederated Salish & Kootenai Tribes Tribal Forestry and Tribal Lands matched the grants funds with \$30,000 and \$40,000 respectively. One job will be trained and retained with a potential of more jobs if the small forest products market analysis determines a manufacturing facility as a feasible endeavor.

(2009) CONFEDERATED SALISH & KOOTENAI TRIBES BUSINESS DEVELOPMENT-\$70,000 awarded

This grant supported three main categories of development: First, business development in the retention and expansion of partnerships with the local milling operation to increase the market for tribal timber and if proven in a feasibility study, to provide the money for lot development and/or expansion of the Confederated Salish & Kootenai Tribes greenhouse and land restoration activities. Secondly, workforce training will be provided for tribal members in job skills currently needed by tribal companies, including greenhouse horticulturalist. Thirdly, feasibility studies were performed for a residential and commercial lot development, a Confederated Salish & Kootenai Tribes greenhouse/land restoration project expansion, and for post milling and/or other natural resource development projects. This application was matched with \$162,544 in matching funds. Three FTEs, 1 seasonal, 6 PT, and several temporary greenhouse workers positions were created/retained.

(2008) TRIBAL LANDS AND ECONOMIC DEVELOPMENT OFFICE TRANSITION \$78,000 awarded

The Confederated Salish and Kootenai Tribes were awarded \$78,000 to support the planning function, technical assistance and oversight that will be provided by the Tribal Lands Department during a transition/orientation of a new Economic Development Officer. The economic development efforts may be moving away from the Lands department and into a newly developed Economic Development office as the Tribe considers reorganizing to provide better economic development opportunities/service to their tribal members. The grant was matched with \$300,000 in tribal funds and retained two positions.

(2007) FLATHEAD STICKERS AND LATH PLANT IMPROVEMENTS & PEOPLE'S CENTER BUSINESS PLAN-\$50,000 awarded

The Confederated Salish and Kootenai Tribes were awarded \$50,000 to expand and continue the development of two tribal enterprises, Flathead Lath and Dowell Mill and the People's Center, a cultural museum. Grant funds supported mill improvements including a concrete slab with hydronic heat, a fabric covered shelter, a heat source unit and mechanical in/out feed sorting with storage capability and the actual cost of conversion, and development of formal business and strategic plan for the cultural museum. Total project match was \$2,042.957 and retained two jobs.

(2006) FLATHEAD STICKERS AND LATH PLANT- \$55,000 awarded The Confederated Salish and Kootenai Tribes were awarded \$55,000 to support the tribally-owned Flathead Stickers and Lath Plant. The equipment purchase opened a new source of raw products for Flathead Stickers. The equipment has both economic and workforce implications. The equipment allows Flathead Stickers to make better use of forest slash piles and designated thinning blocks, reducing fire potential, salvaging otherwise unsalvageable raw product and offering tribal welfare recipients more diversified training opportunities. Total project match was \$70,777. Twenty three people were trained and three jobs were created.

These projects were made possible through the Department of Commerce's recognition that each Tribal nation needs the flexibility to design a program that meets local Tribal needs.

Montana Tribe generally do not qualify for the "comprehensive efforts when State officials meet with outside companies to attract large scale employers" to the State.

I would venture to say that those types of investments for communities like Missoula and Billings cost the State more than \$70,000.00 per recruitment event. I understand the recruitment efforts and applaud them. I hope that all Montana's have a good job. The difficulty that remains is that the highest unemployment is on the seven Indian reservations.

The State of Montana has made a BIG difference on the reservations through the Montana ICED program. The benefit to each reservation is meaningful and noteworthy. These dollars achieve a great deal on each reservation.

The other aspect is that each Tribe contributes hard Tribal funds through a required match. The CSKT have matched dollars 7.9 to 1. This is a good investment for both our Tribes and for the Department of Commerce.

Please restore full funding and continue the Montana ICED program for Montana's Indian Reservations. This is a good investment for the reservations and for Montana in general.

Best Regards,

E.T. Bud" Moran, Chairman

Tribal Council

Confederated Salish and Kootenai Tribes

Copy – Joint Appropriations Subcommittee on General Government

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Sen. Edward Buttrey Rep. Champ Edmunds Rep. Bill McChesney

Sen. David Wanzenried

CSKT Tribal Council Montana Tribes

Coordinator of Indian Affairs



BLACKFEET NATION

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February 16, 2011

Representative Bill Beck Chairman, Joint Subcommittee on General Government Montana State Legislature PO Box 200400 Helena, MT 59620-0400

Re: Blackfeet Nation's Success and Benefits of Indian Country Economic Development (ICED) Program Tribal Government Grants

Dear Chairman Beck:

On January 25, 2011, the Joint Appropriations Subcommittee on General Government took testimony on the Montana Department of Commerce's Business Resources Division One-Time-Only Programs. Councilman Reis Fisher testified on behalf of some of the ICED projects with the Blackfeet Nation. I strongly urge you to restore all of the requested funding and FTE position to the Indian Country Economic Development Program.

Montana is leading the nation in building strong government-to-government relationships with the Tribal governments in Montana. The ICED Tribal Government project funds have acted as seed funds that attract much larger funding sources and collaborations. Not only has the ICED Tribal government project funds assisted the Blackfeet Nation in creating and retaining jobs, but it has helped us to build the capacity and economic development infrastructure necessary in building a vibrant economy. The Blackfeet Nation has had several successful projects:

The 2010 BLACKFEET COMMUNITY DEVELOPMENT INITIATIVE is assisting the Tribe in establishing a comprehensive community development strategy. We are collaborating with community, tribal, state, and federal partners that will build institutional capacity, strengthen and streamline business, tourism, workforce, and infrastructure development, assist in environmental and natural resource development projects, and promote economic development and community leadership training for tribal members and tribal youth. One new job was created with this grant; however, the larger impact

of this grant will be in synchronizing the "big picture" of our nation's strengths, weaknesses, assets, and threats with available market opportunities as well as streamlining and coordinating several different revenue-generating functions and business opportunities for the Tribe and our membership.

In 2009, OKI COMMUNICATIONS, a collaboration between SIYEH Development Corporation (a section 17 Blackfeet Nation tribal charter) and Community Tel, Inc., expanded internet service to the eastern and southeastern sections of the reservation including service to Heart Butte, St. Mary's Valley and into Cut Bank. The budget supported site preparation, microwave and 700 MHz radio equipment, and the retention of 4 full time tribal member employees. The application was matched with \$100,000 from Oki Communications. Oki Communications is a major provider of internet service to the Blackfeet Reservation and the surrounding areas.

In 2008, PIKUNI INDUSTRIES partnered with Radiance Technologies (Huntsville, AL) to develop, test, prototype, and demonstrate Adaptive Lightweight Materials (ALM) technology and products for the US military. This project was matched with the following major project contributors:

- \$3.2 million (Department of Defense grant)
- \$970,000 (US Department of Commerce EDA grant)
- \$277,500 (Blackfeet Tribal Business Council commitment) building

The ICED funds were critical in building renovations to meet electrical and building design requirements and to prepare and install an Adaptive Lightweight Material (ALM) test bed and equipment. 4 precommercial phase jobs were created. From this venture, the Blackfeet Tribe has been able to stand up a new enterprise, **Blackfeet Advanced Technologies (BAT)**, and is currently soliciting and negotiating federal, state, and private procurement contracts. **As of 2010**, **18 positions have been created through Blackfeet Advanced Technologies**.

In **2007**, the Blackfeet Nation started **OKI COMMUNICATIONS**, a tribally-owned communications utility with SIYEH Corporation (wholly-owned by the Blackfeet Tribe). The utility provides Internet and wireless communication services to the Blackfeet Indian reservation. Total project match was \$444,000 and **four jobs were created**.

In 2006, the Blackfeet Nation dedicated their ICED Tribal government grant to the BLACKFEET MANPOWER FEMA DISASTER TRAINING. Historically, the Blackfeet Manpower program has trained tribal members in firefighting. This project provided staff support and services to expand current training to include FEMA disaster response training. This project is part of the tribe's overall mission to help train and employ tribal members for needed labor market positions. Total project match was \$106,022. Blackfeet Manpower trained 500 people and prepared these individuals to seek employment as temporary FEMA disaster workers and included additional training in Georgia and Florida. Trained individuals are qualified to work on any FEMA disasters. Many of those trained by Blackfeet Manpower responded to Hurricane Katrina and other disasters throughout the United States and continue to be a resource during disasters.

Below is a chart of the job creation, retention, and training that occurred as a result of the State's ICED investment with the Blackfeet Tribe:

Fiscal Year	Number Jobs Created/Retained	Number of Workers Trained	ICED Funding	Tribal Match	Match Ratio
FY2006		500	\$55,000	\$ 106,022	1.93 to 1
FY2007	4 created		50,000	444,000	8.88 to 1
FY2008	4 created		70,000	4,447,500	63.54 to
FY2009	4 retained		70,000	100,000	1.43 to 1
FY2010	18 created		70,000	0	0 to 1
TOTAL			\$315,000	\$5,097,522	16 to 1

These ventures have been successful and are continuing to grow and provide greater economic opportunities, not only for the Blackfeet Nation, but also for the citizens of Montana. On behalf of the Blackfeet Nation, I strongly encourage you to continue funding the Indian Country Economic Development Program Tribal Government grants and administrative position to help us continue to create positive economic change in all parts of Montana.

Sincerely,

Shannon d. Augare

Chair, Economic Development Committee

Blackfeet Tribal Business Council